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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

FINJAN, INC., a Delaware Corporation,

Plaintiff,

v.

WEBSense, INC., a Delaware Corporation,

Defendant.

Case No. 13-cv-04398 BLF

**STIPULATED REPORT AND  
RECOMMENDATION REGARDING  
CONSOLIDATION AND LIMITS ON PATENT  
CLAIMS AND PRIOR ART DEFENSES**

[Adopted by the Court, pursuant to  
four changes.]

1 Finjan, Inc. and Websense, Inc. attended a hearing with Special Master Brainerd on April  
2 21, 2014 at JAMS in San Francisco, California. After oral argument by each party, an  
3 opportunity to confer, and receipt of Special Master Brainerd's recommendations, the Parties  
4 hereby stipulate to and request that the Special Master file with the Court the following Report  
5 and Recommendation.

6 The Parties' stipulated proposed Report and Recommendation results from Special Master  
7 Brainerd's analysis, experience and recommendations, and reflects the specific facts and  
8 circumstances of this case. Notably, the circumstances surrounding this stipulation and  
9 recommendations are unique to the patents, parties and accused products in this case. Neither  
10 Party intends to be bound by these limitations in any other litigation as other cases necessarily  
11 involve different patents, parties and products and such limitations may not be appropriate.

#### 12 **I. CONSOLIDATION OF CASE NO. 13-CV-4398 BLF AND CASE NO. 14-CV-1353**

13 The Special Master recommends consolidating Case Nos. 13-cv-4398 and 14-cv-1353  
14 under Fed. R. Civ. P. 42. The cases involve the same parties, the same accused products, and the  
15 same outside counsel. The lead case, No. 13-cv-4398, has only progressed to service of  
16 infringement contentions, and, based on the proposed schedule below, it is not prejudicial to  
17 either party to place the two litigations on a single litigation schedule. Interests of justice,  
18 efficiency for the parties, and judicial economy favor consolidation based on the proposed  
19 schedule below. The Special Master, therefore recommends that the Court order that the two  
20 cases be consolidated under Fed. R. Civ. Proc. 42 for all purposes including trial, consistent with  
21 the proposed schedule below.

#### 22 **II. LIMITS ON ASSERTED PATENT CLAIMS AND PRIOR ART REFERENCES**

23 The Special Master recommends that the Court order limits on the number of patent  
24 claims asserted by the plaintiff in Case Nos. 13-cv-4398 and 14-cv-1353 in light of the Federal  
25 Circuit's holding in *In re Katz Interactive Call Processing Patent Litigation*, 639 F.3d 1303 (Fed.  
26 Cir. 2011) and to promote efficiency for the Parties and Court. The Special Master further  
27 recommends that the Court order limits on the number of prior art references Defendant may  
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assert to support invalidity defenses pursuant to 35 U.S.C. §§ 102 and 103 to promote efficiency for the Parties and Court.

Finjan shall limit its asserted patent claims, and Websense shall limit its asserted prior art references supporting defenses under 35 U.S.C. §§ 102 and 103 as follows:

Event	Deadline
Finjan shall file a notice limiting its asserted patent claims by selecting from claims previously asserted in its Infringement Contentions no more than an average of five claims per patent, or no more than 25 claims total across all patents-in-suit. <sup>1</sup>	June 24, 2014
Websense shall file a notice limiting its prior art invalidity defenses under 35 U.S.C. §§ 102 and 103 by selecting from references previously asserted no more than six anticipatory references and no more than four obviousness combinations <sup>2</sup> per patent-in-suit.	July 1, 2014
Finjan shall file a notice further limiting its asserted patent claims by selecting from the subset of claims identified on June 24, 2014 no more than an average of four claims per patent or no more than 20 total across all patents-in-suit.	<del>21 days after the Court's order in XXXXXX</del> XXX April 27, 2015
Websense shall file a notice further limiting its prior art invalidity defenses under 35 U.S.C. §§ 102 and 103 by selecting from the subset of references identified on July 1, 2014 no more than four anticipatory and two obviousness combinations per patent-in-suit.	<del>35 days after the Court's order in XXXXXX</del> XXX April 29, 2015

<sup>1</sup> For clarity, any reference to a total number of claims means that Finjan is able to select any number of claims from any asserted patent as long as the total number of claims does not exceed the total. For example, for the initial reduction in claims, Finjan may select 7 claims from one patent, 3 claims from another patent, and 5 claims from the remaining patents for a total of 25 claims.

<sup>2</sup> For clarity, an obviousness combination refers to a theory of invalidity and may contain additional references to support that theory. For example, an obviousness combination may be supported by a patent and two publications.

1	Finjan shall file a notice identifying the patent claims it will present at trial from the subset of patent claims selected at its last reduction no more than an average of three claims per patent, or 15 total across all patents-in-suit.	14 days after the close of expert discovery
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4	Websense shall file a notice identifying the prior art it will use to support its invalidity defenses under 35 U.S.C. §§ 102 and 103 at trial from the subset of prior art selected at its last reduction to no more than three anticipatory and one obviousness combination per patent-in-suit, or, in the alternative, no more than two anticipatory and two obviousness combinations (including any number of references) per patent-in-suit.	21 days after the close of expert discovery
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10 The foregoing limits are appropriate in light of the current procedural posture and factual  
 11 circumstances in this case. Either party may seek leave of Court to modify these limits pursuant  
 12 to the standard established in *In re Katz Interactive Call Processing Patent Litigation*, 639 F.3d  
 13 1303 (Fed. Cir. 2011).

14 **A. Consolidated Litigation Schedule Including Claim and Prior Art Reductions**

15 The consolidated cases shall proceed on the following schedule, including the foregoing  
 16 deadlines for limiting asserted claims and prior art, which are incorporated by reference below:

18	Event	Deadline
19	Comply with P.L.R. 3-1 and 3-2 for '494 patent	April 22, 2014
20	Comply with P.L.R. 3-3 and 3-4 for patents originally asserted in Case No. 13-cv-4398	May 20, 2014
21	Comply with P.L.R. 3-3 and 3-4 for the '494 patent	June 10, 2014
22	Comply with P.L.R. 4-1	July 15, 2014
23	Comply with P.L.R. 4-2	July 29, 2014
24	Comply with P.L.R. 4-3	August 12, 2014
25	Comply with P.L.R. 4-4	September 9, 2014
26	Comply with P.L.R. 4-5(a) - Opening Claim Construction Brief	September 23, 2014
27	Comply with P.L.R. 4-5(b) - Opposition Claim Construction Brief	October 7, 2014
28	Comply with P.L.R. 4-5(c) - Reply Claim Construction Brief	October 14, 2014

1 Claim Construction Hearing and Technical  
2 Tutorial

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4 The Special Master, after consultation with the parties, review of all briefing, and hearing  
5 oral argument from both sides, hereby recommends under Fed. R. Civ. Proc. 53 and the Order  
6 Appointing Mr. Brainerd as Special Master in Case No. C 13-04398 BLF (Docket No. 49) that  
7 the matters herein be adopted as an order of the Court.

8 Dated: April 23, 2014

Respectfully submitted,

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18 SPECIAL MASTER  
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1 **PURSUANT TO STIPULATION, IT IS SO ORDERED.**

2  
3 Dated: June 23, 2014

  
HON. BETH LABSON FREEMAN  
United States District Judge

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6 The Court adopts this Report and Recommendation, pursuant to Stipulation, with  
7 four changes. The Court, after consulting with the parties at the June 19, 2014 Case  
8 Management Conference, has set the Claims Construction tutorial for November 7, 2014.  
9 The Court has further set the Claims Construction hearing for November 21, 2014. Additionally,  
10 the Court has set the date for Finjan to file its "notice further limiting its asserted patent claims"  
11 for April 27, 2015, and has set the date for Websense to file its "notice further limiting its  
12 prior art invalidity defenses" for April 29, 2015. The remaining dates in the Report and  
13 Recommendation remain operative.  
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